

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 234.6, the Department of Human Services proposes to amend Chapter 65, "Food Assistance Program Administration," Iowa Administrative Code.

These amendments implement the Food, Conservation, and Energy Act of 2008 (also known as the Farm Bill). Provisions of this bill improve access to the Food Assistance program, promote efficiency of the program's operation, and simplify the program for more effective program administration. These amendments implement the following program improvements:

- Raise the minimum standard deduction that is subtracted from countable income and provide for annual inflation adjustments in future years. Effective October 1, 2008, the minimum deduction will increase from \$134 to \$144.
- Remove the cap on the dependent care deduction that is subtracted from countable income. Currently the maximum deduction is \$200 monthly for each child under the age of two and \$175 monthly for dependents aged two or older.
- Raise the minimum benefit amount for households of one or two persons from \$10 a month to 8 percent of the thrifty food plan for a household of one. The minimum benefit is estimated to be \$14 in federal fiscal year 2009, with adjustments for food inflation in later years.
- Exclude tax-deferred retirement accounts and tax-deferred education accounts from countable resources. Funds in these accounts will not make a household ineligible due to excess resources.
- Index the resource limit, currently a fixed amount, to provide for annual adjustments based on inflation. Based on the Congressional Budget Office's most recent inflation projections, the first increase in the resource limit is expected in federal fiscal year 2012 or later.
- Implement the state option of expanding simplified reporting to include households in which all adult members are elderly or disabled and have no earned income. This change moves all households that are currently subject to ten-day change reporting to the simplified reporting method.

Switching households that include seniors (aged 60 or older) and people with disabilities to simplified reporting reduces paperwork burdens on these households. Simplified reporting households are required to report only if their total gross income exceeds 130 percent of the federal poverty level for their household size or if the work hours of an able-bodied adult without dependents change to less than 20 hours per week, averaged monthly. Simplified reporting households have the option of reporting changes that may increase their benefits, and the Department is required to act on all reported changes.

Certification periods of 12 months will be assigned to households in which all adult members are elderly or disabled and have no earned income. Certification periods of six months will be assigned to all other households. However, an interview is required only once a year. Certification periods shorter than 6 or 12 months may be assigned to align the recertification date to the FIP or medical assistance review date.

The Food Assistance Interim Report (FAIR) is being eliminated. Currently, households that are subject to simplified reporting must complete a FAIR in the sixth month of the certification period and a Review/Recertification Eligibility Document (RRED) every 12 months. With these amendments, these households will continue to complete a form every six months but the form will be the RRED each time.

These amendments do not provide for waivers in specified situations. The Department does not have authority to waive federal law or regulation.

The Council on Human Services adopted these amendments on August 13, 2008.

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 7119B**. The purpose of this Notice is to solicit comment on that submission, the subject matter of which is incorporated by reference.

Any interested person may make written comments on the proposed amendments on or before October 1, 2008. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Analysis and Appeals, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to policyanalysis@dhs.state.ia.us.

These amendments are intended to implement Iowa Code section 234.12.